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Farm Broadcasters Letter



Letter No. 2239

CURRENT RECORDS

November 21, 1985

DAIRY PRICE SUPPORT EXTENDED

Sec'y of Agriculture John Block announced that the dairy price support provisions for milk which are now in effect will continue through Dec. 13 because of the enactment of special legislation. The support price for milk is \$11.60 per hundredweight for manufacturing grade milk of 3.67 pct. butterfat content. The CCC purchase prices for butter, cheese and nonfat dry milk will remain unchanged from those announced on June 26.

WORLD WHEAT TRADE

The 1985/86 world wheat trade forecast halted its downward trend during November, largely as a result of stronger demand in Eastern Europe. According to the U.S. Department of Agriculture, world wheat prices have strengthened recently as anticipation of tightening exportable supplies in competitor countries rises...Canada faces uncertainty over the extent of weather-damage to its crop...and a growing volume of U.S. wheat is moving under government loan. In the longer term, large carry-in stocks, depressed world demand and expectations that the forthcoming U.S. Farm Bill could lower support prices, should begin to exert some downward pressure on world wheat markets.

U.S. COARSE GRAIN TRADE

The 1985/86 U.S. coarse grain trade forecast declined this month as a result of lower barley export prospects in light of intensified competition from the European Community and Australia, according to the U.S. Department of Agriculture. The U.S. can also expect increased competition from Canadian and EC feed wheat, and increased use of non-grain feed in key European and Far Eastern markets. In the short-term, diminishing supplies of corn and sorghum in several exporting countries could strengthen the demand for U.S. coarse grains.

BRAZIL BUYS CORN AND WHEAT

Brazil has purchased 400,000 metric tons of U.S. corn and may take up to 1 million tons in 1985/86. This year Brazil was expected to import only 200,000 tons. The large purchases are thought to be a government effort to reduce speculation and domestic price inflation. Brazil has indicated it will not make additional purchases of U.S. wheat until late Jan. or Feb. This may be only a postponement, the result of Brazil's large domestic supplies, limited storage capacity and the scheduled arrival of Argentine and Canadian wheat.

NET FARM INCOME DOWN FOR '85

The net farm income for 1985 is expected by the U.S. Department of Agriculture to range between \$25 and \$29 billion, down from an estimated \$34.5 billion in 1984. Net cash income is expected to be even to slightly higher than 1984's \$39.2 billion. The current forecast is \$37 to \$41 billion.

EC DAIRIES
OUT OF BUSINESS?

The European Community Commission recently proposed that the Community compensate EC producers willing to give up dairying permanently, according to the U.S. Department of Agriculture. This would be in addition to the current program of individual member states buying producers' quotas and reallocating them to producers with special needs. The Commission expects to buy quotas totaling 3 million tons under the new scheme.

U.S. WHEAT
TRADE
PROSPECTS

The 1985/86 U.S. wheat export forecast declined to 27.2 million tons, the lowest level in ten years, as a result of more aggressive competition, particularly from the European Community. According to the U.S. Department of Agriculture, the EC has stepped up its aggressive, subsidized export program to those North African countries targeted by the U.S. Export Enhancement Program. Although U.S. wheat prices have been edging higher, ample new-crop supplies from the U.S. and foreign exporters may limit near-term, upward price movement. However, as more U.S. wheat moves under government programs, tightening free-market U.S. supplies could lend a firmness to market prices.

WORLD COARSE
GRAINS

The 1985/86 world coarse grain trade forecast declined 1.3 million tons this month on lower import demand particularly for barley, and indications of increasing substitution of feedwheat and non-grain feed ingredients for coarse grains, according to the U.S. Department of Agriculture. However, dry weather in southern Europe damaged range, pasture and forage crops, causing farmers to intensify feedgrain use, raise domestic utilization and possibly stimulate increased import demand. Dry weather in South America will also mean stronger demand for imported coarse grains.

DEPOSIT FOR
GREECE TRADE

In an effort to improve its balance of payments and trade deficit, Greece is now requiring import permits for many agricultural and nonagricultural products be accompanied by either a 40 or 80 pct. deposit of the Cost Insurance and Freight value. The deposit is to be held six months, interest free, for use by the Greek government. Tobacco, cotton and seed products were included among the items. Retail prices of finished goods using these imported commodities will probably rise.

DROUGHT DAMAGE
IN SPAIN

Forage crops damaged by the drought could cause Spain to curtail its subsidized barley export program, and U.S. feed grain exports could rise, according to the U.S. Department of Agriculture. The drought across most of southern Europe has damaged Spanish forage crops, leading to higher domestic barley prices and stronger internal demand for barley. Spain's total grain production in 1985/86 is estimated at a record 20 million tons, slightly above last year's bumper crop and 30 pct. above the recent five-year average.

RETAIL FOOD
PRICES LOW

The rise in retail food prices this year has been small, according to the U.S. Department of Agriculture. That's because the farm value of food has dropped about 7 pct. this year. The Consumer Price Index for food in 1985 is expected to average a little over 2 pct. above last year. The small retail price rise for food has helped keep general inflation down.

FROM OUR
TELEVISION
SERVICE

CURRENT AGRICULTURAL OUTLOOK...USDA economist Herb Moses focuses on the latest agricultural outlook in the U.S., including retail food prices and how they relate to net cash income as well as net farm income. Vic Powell interviews. (516)

CROP PRODUCTION OUTLOOK...USDA economist Sam Evans takes a look at the latest crop production forecast and reviews production of such major crops as corn, soybeans and tobacco and how they compare to earlier forecasts. Vic Powell interviews. (517)

WORLD COTTON SITUATION...Record supplies and weak demand is the situation facing cotton producers again this year. USDA economist Terry Townsend talks about the status of the U.S. cotton crop as well as U.S. cotton exports. Vic Powell interviews. (518)

PROTECTING SHEEP FROM PREDATORS...USDA economist John Lawler describes how a new livestock protection collar can help sheep producers protect their flocks from the threat of coyotes and other predators. DeBoria Janifer interviews. (519)

POLYETHYLENE WRAPPING FOR FRUITS...USDA scientist Phil Hale talks about research being conducted in Orlando, Florida, to protect and preserve the quality of fruits and vegetables using a film or polyethylene wrapping. Lynn Wyvill interviews. (520)

FROM OUR RADIO
SERVICE

AGRICULTURE USA #1484...(Weekly 13½ min documentary) On this edition George Holmes explores the controversial sugar program and why many people say it just cannot work. He discusses this with industry analysts and USDA specialists.

AGRITAPE/FARM PROGRAM REPORT #1475...(Weekly reel of news features) USDA news highlights; Cotton problems; Back to the home economics classroom; Deer fences; The networks and agriculture.

CONSUMER TIME #967...(Weekly reel of five 2½-3 min features) Planning ahead for holiday shopping; Holiday food problems; Children left out; Gifts from the kitchen; Microbe test.

USDA RADIO NEWS SERVICE...Mon, Dec. 2, 3, and 4, Outlook conference reports; Tues, Dec. 3, Weekly crop and weather update; Tues, Dec. 10, U.S. crop production report; World ag supply and demand and Weekly weather and crop update. Dial the USDA National News Line 202-488-8358 or 8359. All material changed at 5 p.m. EST each working day.

FARM LABOR

During the week of October 6 to 12, a total of 3.1 million people were working on farms and ranches in the U.S., according to the U.S. Department of Agriculture. Hired workers represented 38 pct. or 1.2 million of the total. Farm operators and other unpaid workers who worked 15 hours or more accounted for 1.9 million, 4.6 pct. below Oct. last year. The all hired farm worker wage rate in Oct. was \$4.56 per hour, same as last year. Workers paid on an hourly basis averaged \$4.41, down 4 cents from Oct. 1984. Meals, housing or motor vehicles in addition to cash wage were provided to 40 pct. of the hired workers in Oct. 1985.

OFF MIKE

Big NAFB meeting in Kansas City. And I've never seen a more relieved man than Ken Root (KWCH-TV, Hutchinson, KS), the newly installed president, when the first live satellite event came off on schedule. Ken is to be congratulated for this first and others at a great meeting. I heard alot of favorable comments ... Ken's officer corps for the coming year is Evan Slack (Evan Slack Network, Denver, CO), President-Elect; Dix Harper (WRAL-TV/Tobacco Net, Raleigh, NC), Vice-President; Bob Buice (Agri Radio Net, Little Rock, AR), Historian; Dave Russell (WOWO, Fort Wayne, IN), Nat'l VP Northcentral Region; Terri-Rae Elmer (KFBK, Sacramento, CA), Nat'l VP West Region; Dan Gordon (Tennessee Agrinet, Nashville, TN), Nat'l VP Southeast Region; and Kelly Lenz (WIBW, Topeka, KS), Nat'l VP Southcentral Region ... The 1985 NAFB Meritorious Service Award went to George Logan (WIBW-TV, Topeka, KS). George, we salute you!! ... In some respects, the NAFB meeting was one of the "walking wounded." Ken Tanner (WRAL-TV/Tobacco Net, Raleigh, NC) was leaning on a cane after a car accident in Raleigh a couple weeks ago. Colonel Dink Embry (WHOP-FM, Hopkinsville, KY) was on crutches following his Achilles heel operation. George Stephens (WDAF, Kansas City, MO) had just left the hospital a short time before the meeting and is still recuperating from having a tumor removed from his jaw area. Bob Quinn (WHO, Des Moines, IA) was still in the hospital following a car accident. And Marla Behrends (WKAN, Kankakee, IL) was talking about how she nearly got squashed when a tractor-trailer backed into her car, but no injuries. Usually we hear about farm broadcasters getting kicked while showing animals in a show ring or something ... WCKY, Cincinnati, OH, is looking for a farm broadcaster. If you're interested, call Jim Glass, program director, at 513-241-6565. He's looking for someone with farm broadcasting experience ... As we mentioned in an earlier Farm Broadcasters Letter, Max Stewart is imminently on his way to KMOX, St. Louis. Ellen Grant will be his replacement at WSMI, Litchfield, IL ... George Kearns is looking for a farm broadcaster position. He's farmed all his life, mostly dairy and forage but other commodities as well, and he's been working in a local radio station for the past year. His phone number is 606-689-7010.

JAMES L. JOHNSON, Chief, Radio-Television Division

